

Meeting Minutes

Media and Communications Committee

Location: Council Chambers
3:00 p.m., Wednesday, July 26, 2006

1. **Welcome and Introduction.** Chairwoman Leslie Daigle convened the meeting at 3:10 p.m. The following persons were in attendance:

Committee members

- Council Member Leslie Daigle (Chair)
- Mayor Pro Tem Steve Rosansky
- Council Member Keith Curry
- Dan Wampole

City Staff

- Dave Kiff (Assistant City Manager)
- Aaron Harp (Assistant City Attorney)
- Paul Malkemus (MIS Manager)
- Marilee Jackson (PIO)
- Evelyn Tseng (Income Contract Administrator)
- Janet Brown (Assistant Planner)
- Iris Lee (Associate Civil Engineer)
- Rich Edmonston (Transportation Manager)
- Kim Rieff (Department Assistant)

Consultant

- Bill Marticorena

2. **Approval of Previous Meeting Minutes.**

- None

3. **Public Comments on Non-Agenda Items.**

- None

4. **Old Business**

- None

5. **New Business**

A. Updates: Cable Television Franchise agreements, settlements with Time Warner/Adelphia and Cox Communications.

Mr. Kiff said City Council approved the Cox Communications Franchise Agreement. It expires in 2011 with the possibility of extending it to 2017 and it will guarantee the City three PEG Channels (Public Educational and Government).

Mr. Kiff said he and Chairwoman Daigle had questions regarding the \$660,000 for telecommunications related cable and equipment for City Hall scheduled to take affect in 45 days. He said Mr. Marticorena prepared a settlement agreement on behalf of our City and several other cities that's in place now with Time Warner and Adelphia. This agreement offers the City's consent to transfer the Adelphia Franchise to Time Warner for a per subscriber fee. The City will receive approximately \$120,000 a year in addition to a capital grant of roughly \$470,000 on a one time basis. It also directs us to immediately begin negotiating the Franchise Agreement with Time Warner.

In response to Mr. Wampole, Mr. Marticorena said it is probably unlikely that Cox would take over Adelphia because Time Warner is going to become the major player in Southern California after the acquisition closes. He said the bankruptcy process is scheduled to close on July 31, 2006.

In response to Chairwoman Daigle, Mr. Marticorena said it will be a challenge to negotiate a new Franchise Agreement between now and the end of the year. There's so much uncertainty going on at the Federal and State level and Time Warner is going to be inundated with both operational concerns as well as 50 cities that want to negotiate. If we don't have a new agreement in place by December 31st the old agreement extends for 10 years subject to the \$28 per sub one time payment and the \$.50 cents per sub. Time Warner has made a commitment to communities that were able to get renewals out of this deal and to spend whatever time necessary to try and get these done.

Mr. Marticorena said the old agreement requires three channels. Ms. Jackson said we have one channel with 20 hours of programming.

Chairwoman Daigle asked what happens if the City Hall's location moves into Cox' territory. Mr. Marticorena replied that the Cox Agreement says if City Hall is anywhere in the Cox service area, Cox must serve it on a by-directional basis. The old Adelphia Agreement doesn't really deal with that so that may be a bigger challenge.

B. Community Wi-Fi - discussion of community-wide wireless internet concepts, benefits, costs, potential vendors

Chairwoman Daigle said she and Mr. Kiff and Councilman Curry met with the Assistant City Manager of Anaheim. The City of Anaheim signed an agreement with Earthlink for internet connectivity. The City of Anaheim has a centralized traffic room with cameras mounted and lights to monitor the traffic and make adjustments to signals. It's not clear what all the Wi-Fi applications will be.

Councilman Curry said we want to provide a meaningful service to the citizens in terms of their personal freedom, mobility, and access to the knowledge. We hope to get a system that would have some specific applications to the City, for example, traffic engineers being able to look at traffic maps without having to be in a control room and change signals.

Mr. Kiff asked what's the difference between Wi-Fi and Wi-Max.

Mr. Marticorena said Wi-Max is a high frequency network that connects with each other. In some ways it's not that different than cellular. These different frequencies use slightly different technologies but have the same concept. Chairwoman Daigle said she had some communication with Earthlink and they said their technology is expandable if Wi-Max comes.

Chairwoman Daigle asked from an agreements perspective, if there are any clients signing up for Wi-Fi. Mr. Marticorena said they have a number of clients that are looking at Wi-Fi.

Councilman Rosansky asked if Anaheim is actually providing the service or are they just contracted with the company, and whether it's free. Mr. Marticorena replied it's not free.

Councilman Curry said Earthlink pays Anaheim \$1 per month to put the transponder on the pole and charge the transcriber \$20-\$22 a month for the transcriber.

Chairwoman Daigle asked whether it's a Real Estate play, where they go in and get on the city property and get all the good standard locations and then they sell off to Cellular. Mr. Marticorena responded that big city models charge substantial rent to the Wi-Fi provider in an attempt to capture the fair market value, but if the City follows the Anaheim model, which provided Wi-Fi at zero cost, then some sort of anti-speculation protection should be in place. Wi-Fi people do expect to see some restrictions. But most models will probably be at less than market value so that the residents get the benefit of the transaction, rather than the benefit of going to Wi-Fi provider.

Chairwoman Daigle said we have a couple of options in terms of becoming more familiar with the technology. Earthlink could come in and give a presentation and also Conexant through our General Plan process. Mr. Kiff said we would be

looking at this from the City perspective, service perspective and the public infrastructure impact perspective. Mr. Malkemus replied it would be a tremendous benefit to City employees who are working in the field.

Mr. Kiff said one of the items in Earthlink's model is to go to communities that are easier to work with. In Newport Beach we own close to 95% of the light poles. I sense that they're very interested in coming back to us if we were interested in issuing an RFP for this type of service.

Councilman Curry asked what the transition from Wi-Fi to Wi-Max means from an infrastructure perspective, what has to happen on the poles if anything. Mr. Marticorena replied there is a change-out of radios. Mr. Malkemus said it is a simple hardware operation.

Chairwoman Daigle asked in terms of issuing an RFP, is it going to be exclusive or non-exclusive. Mr. Marticorena replied that Anaheim issued an RFP and only received one response from Earthlink. From a policy view point an RFP is the right way.

In response to Mayor Pro Tem Rosansky, Mr. Marticorena said there are always consultants. Chairwoman Daigle said one of the things with retaining a consultant would be not only the kind of technical issues but how it fits in with our network. Mr. Marticorena added that a consultant could give a handle on what other communities are doing.

Councilman Curry said he would like to make sure we get the right technical support, improve service to the City, City departments, and City users and offer the public, as a benefit, citywide Wi-Fi network.

Mr. Wampole said projects like Wi-Max take a long time. It's probably a good idea to focus just on Wi-Max and take the chance of being the new guy on the block. I think the benefit to our City is greater than a lot of cities because we are a resort destination with a huge population that travels through here.

Mr. Kiff said he recommends that he bring something to the City Council, and then bring somebody on board after doing some research.

Chairwoman Daigle suggested at our next meeting, someone from Earthlink come and do a presentation.

C. Using wireless and other telecommunication to improve transportation systems

Chairwoman Daigle asked Mr. Edmonston if he could brief the committee on the signal technology and connectors project. Mr. Edmonston responded that currently the traffic signals in the City are tied into a master office computer that monitors the activity. We're looking into what the newest technology is. We're in the process of embarking on a multi-year project to replace the equipment out

in the field as well as the project we have in the budget this year, to bring about 21 intersections on line with the new system. It will be new software, hardware, equipment in the field, and new communications. We think 21 intersections is a good size test group. We've also been talking to vendors and our counterparts in other cities to see what their experience has been. There will be problems to resolve. We're hearing there has been poor customer support and we want to avoid that. Part of the demonstration project is MacArthur Blvd. We're proposing to install a couple of cameras that would allow us to see a total of about five intersections. There's about \$800,000 in the budget plus another \$300,000 for the communications aspects of it.

Councilman Curry asked if we received grants for this. Mr. Edmonston responded that \$500,000 of the \$800,000 is OCTA competitive grants.

Chairwoman Daigle asked if we're selecting MacArthur Blvd. because there's a good length between Central Library and City Hall. Mr. Edmonston said one of the benefits is that the Main Library is off of MacArthur Blvd. It's one of the major hubs. We also use the Police Station, the Newport Center area, the Fire Station up on Irvine, and the Corporation Yard.

Chairwoman Daigle said when they were in Anaheim they mentioned that instead of having a physical room to look at the information, the next generation is a web-based system. Mr. Edmonston explained that with our system, up to four people can be online with it at one time so they have that capability.

Chairwoman Daigle asked if putting a camera at MacArthur and San Miguel would be a sample application and what the benefit would be. Mr. Edmonston said they're used for a couple of things. They can be set up to sound an alarm if it detects an abnormal traffic pattern. If, for example, the detection in the street breaks down it can alert the system operator who can use the camera to verify what's going on.

Mr. Wampole asked if the fiber backbone could be designed and installed to be a backup backbone to other communications that we're looking at like Wi-Fi. Mr. Edmonston said a lot of the cost has already been built in, in little pieces as we built the signal system. Mr. Malkemus has talked about keeping the T-1's as a backup.

Mr. Wampole said the cost of expanding is less expensive than running another duplicate system. He suggested having the Wi-Max tested at an intersection one week, and then move it to another the next week, etc.

Councilman Curry said it sounds like if the cost weren't an issue, we're still waiting for technology to catch up before we can decide what we want to do.

Mr. Edmonston said we have enough money to implement the first phase. It's roughly a fifth of the signals in the City. The rest of the City could be done in two phases. It's not necessarily a five-phase project but it's very large. We've had this

system for a long time but it's time to make a significant decision. The City is supportive of what we have been doing and has given us the funds to do what we need to do. We'll be coming back in the next couple of budget cycles to do more. This system is expected to be up and running about a year from now. It's designed to be highly expandable.

Mr. Edmonston agreed with Chairwoman Daigle that it's better to work on 20 intersections and get the bugs out, instead of all 100 at once.

D. Summary of Pending Telecom Permits – distribution of a summary of existing and proposed Telecom Permits

Mr. Kiff said the City embarked upon a Telecom facility permit process about two years ago. People continue to come in and ask for new permits and a lot of them get issued.

Councilman Curry asked if we charge a fee for these facilities and whether we've thought about a co-locate pole. Ms. Tseng said we do charge a fee and we have a fee schedule. Our code mandates we try to do co-location wherever possible. Ms. Brown said any facilities within 1,000 feet of each other are required to co-locate.

Mr. Edmonston said the problem now is people putting dual frequency antennas on all four quadrants of the poles. There's little opportunity to do much co-locating of the antennas.

Councilman Curry said these companies who represent themselves establish locations and basically consolidate everybody on these locations. The City collects through these facilities.

Ms. Tseng said we like the idea of having a centralized map with all of our sites on it including the dead spots. We weren't at the point where we needed that but if we got to that point we would probably issue an RFP instead of going to the first consultant that came to us. Ms. Tseng responded to Chairwoman Daigle that she talked to a couple of cities that did hire those companies and they were not happy about how much they had to pay them. Ms. Tseng said the cities regretted entering into the master plan agreements.

Mr. Marticorena said there are also companies that really have no involvement with cities. One called Next G. They're called carriers. They are spec builders that identify dead spots, identify problem areas, construct their own facilities, and then they lease. They're certificated by the PUC and are active in this area. They don't really deal with the City. They file applications for facilities and construct facilities. They have tenants in mind or they market those after they construct them.

Councilman Curry said their business model is they put the tower on a city facility or city park.

Mr. Kiff said we have not been aggressive in marketing City facilities nor have we seen companies come to us and ask what we have. We have kind of cut out the middle person.

Ms. Tseng said we're collecting rent from two facilities at this point. One was inherited during the annexation. We're getting about \$3,000 a month.

Mr. Wampole said centralized locations in the City really are the way to go. There are multiple benefits to controlling all those locations.

Chairwoman Daigle said some of the developers are cooperating. Mr. Marticorena said his understanding is The Irvine Company now includes a planning process, a wireless distribution plan so their communities will have good cellular coverage.

6. Items for Next Agenda

Mr. Kiff suggested the committee look at the other items on the list of duties of the Media and Communications Committee and to let Councilwoman Daigle know if they want something covered.

Councilman Curry said in regards to Wi-Fi/Wi-Max he would like to see an update in terms of assessment of the technology and an implementation strategy and whether we want to do an RFP or negotiate.

The Committee agreed to meet every other month, the last Wednesday in September at 3:00 p.m. in the Council Chambers.

The meeting was adjourned at 4:15 p.m.